



## **City of Troy, Ohio Community Reinvestment Area Program Guidelines**

### **Background**

The Ohio Community Reinvestment Area Program legislation became effective in November 1977. In 1979 the Troy City Council authorized the use of this program in the City of Troy. This program allows the City of Troy to designate Community Reinvestment Areas (CRA) in which real property tax exemption can be granted for an increased property valuation that results from improvements or new construction in the designated areas. Since 1979 five areas have been designated as CRAs.

### **Real Property Tax Exemptions**

Ohio Revised Code Sections 3735.65 through 3735.70 establishes the limits of tax exemptions available on any individual project. The provisions of Ohio Revised Code Sections 3735.65 through 3735.70 contained within Amended Substitute Senate Bill Number 19 which became effective July 22, 1994 do not apply to Community Reinvestment Areas in the City of Troy which were created prior to July 1, 1994.

The real property exemption first applies in the year following the calendar year in which the certification is made to the County Auditor. The dollar amount by which the remodeling or new construction increases the market value of the structure shall be exempt from real property taxation for the stipulated time period. For new construction, the structure shall not be considered an improvement on the land for the purpose of real property taxation.

The tax exemptions are as follows:

1. Existing one and two-family dwellings in a designated CRA with a minimum remodeling cost of \$2,500 may receive tax exemptions for the increased market value caused by the improvement for a period not to exceed 10 years.
2. Existing dwellings of more than two units with a remodeling cost of \$5,000 may receive tax exemption for the increased market value caused by the improvement for a period not to exceed 12 years.
3. Existing commercial or industrial structures with a minimum remodeling cost of \$5,000 may receive tax exemption for the increased market value caused by the improvement for a period not to exceed 12 years.
4. New commercial or industrial structures may receive tax exemption for the increased market value caused by the construction for a period not to exceed 15 years.

### **Eligibility**

Any individual, sole proprietor, partnership or corporation who is intending to make a significant improvement to property they own and which is located in a designated community reinvestment area is eligible for the CRA tax exemption.

### **Application Process and Procedures**

1. A completed Notification and Application Form for either residential or non-residential projects must be filed with the housing officer prior to or at the same time an application is submitted for a building permit. The appropriate form can be obtained from the housing officer.
2. By copy of the Notification and Application Form, the housing officer will notify the appropriate city officials, the County Auditor and the Board of Education of the pending application.
3. A completed Certification Form for tax exemption for either residential or non-residential projects must be filed with the housing officer within 60 days from the date an occupancy permit has been issued by the Miami County Building Department. The Certification shall indicate the type of investment, amount of investment, the percentage and the term of abatement requested and for non-residential projects the number of new jobs to be created.
4. The housing officer will review the Certification for correctness and verify with the Building Department that an occupancy permit has been issued and that the improvements meet all applicable City codes.
5. Following approval of the Certification, the housing officer will transmit the Certification to the County Auditor and notify the applicant, city officials and the Board of Education.

### **Inspection and Monitoring**

The housing officer for the City of Troy shall be the Director of Development or his designee. The housing officer shall make annual inspections of the properties within the CRAs upon which are located structures or remodeling for which an exemption has been granted under section 3735.67 of the Ohio Revised Code. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the owner, the housing officer may revoke the tax exemption at any time after the first year of exemption.

The housing officer shall notify the county auditor and the owner of the property that the tax exemption no longer applies. If the housing officer revokes a tax exemption, a report of the revocation shall be sent to the community reinvestment area housing council established pursuant to section 3735.69 of the Ohio Revised Code containing a statement of the findings as to the maintenance and repair of the property.

The community reinvestment area housing council shall make an annual inspection of the properties within the community reinvestment area for which an exemption has been granted. Decisions of the housing officer may be appealed to the CRA housing council within 30 days of the decision being rendered. The housing council has the authority to overrule any decision of the housing officer. Appeals may be taken from a decision of the housing council to the Court of Common Pleas.

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